

WNB

~~SECRET~~

~~CONFIDENTIAL~~

CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

28 June 1957

STAFF MEMORANDUM NO. 37-57

SUBJECT: The State of Italian Politics

1. Italian politics are in an unhealthy condition. The coalition formula under which Italy has been governed since 1946 finally collapsed two months ago, and no succession arrangement has yet been found. With elections required by June 1958, the small center parties were unwilling to accept the responsibilities of power without gaining some of the advantages of it, and the Christian Democrats have been unable to devise a policy which would satisfy their own requirements and the conflicting aims of their erstwhile coalition partners.

2. Underlying these maneuvers is the sad arithmetic of Italian politics: about 40% of the electorate supports leftist and rightist views opposed to the constitutional system, and it is impossible to constitute a majority government except on a coalition basis. The Christian Democratic Party is ridden with factionalism and torn by personal conflicts. A substantial minority of the Italian electorate

DOCUMENT NO. 41

NO CHANGE IN CLASS.

DECLASSIFIED

CLASS. CHANGED TO: TS S C

NEXT REVIEW DATE: 1990

AUTH: HR 70-2

DATE: 3/26/80 REVIEWER: 009256

JUN 26 1957

SECRET

is strongly anti-clerical, and many of those who vote Christian Democratic do so because it is the least undesirable alternative. There is almost everywhere a cynicism about government, an intense desire for a change, but a notable lack of enthusiasm for being governed by reds, priests, fascists, or monarchists.

3. Italy needs some fundamental changes in its politics. There is no democratic alternative to the Christian Democratic Party, which itself lacks the unity and discipline to bring about the kind of reforms which the majority of the Italian people desire. Toward the end of 1955 and early in 1956, it seemed that some progress toward reform was taking place as a result of parliamentary cooperation between the center coalition and the extreme left. The latter, attempting to end its parliamentary isolation, supported several important government reform bills which otherwise probably would not have been passed. It appeared that immobilism in Italian policy had come to an end, at least temporarily, as both center and left sought to take credit for the reforms desired by the majority of the Italian people. However the Khrushchev revelations concerning Stalin and suppression of the Hungarian revolt added a new dimension by disrupting the unity and

SECRET

SECRET

militancy of the Communist Party and putting it on the defensive. Nenni, who had been trying to create the impression that he was separating himself from the Communists, evidently decided that the time had arrived for a bold move to capture popular attention and to exploit the new situation to establish himself as the leader of the leftist "democratic" forces. At the same time, the rank and file of both Socialist parties began urging Socialist reunification, and Saragat -- caught up in the pressure -- met with Nenni to discuss terms and procedures. The consequence was the end of Socialist-Communist parliamentary unity, the inauguration of an exchange of Socialist and Communist polemics, and a feeling that Socialist unification was inevitable.

4. Center-leftist cooperation to terminate immobilism also came to an end, and the old business of political maneuver occupied the politicians. Saragat was determined not to be stampeded into unification both lest he lose/his leadership and his principles. Nenni was trying to have the best of two worlds; he was trying to enjoy the benefits of parading as a democrat and a constitutionalist without offending his own predilections (and those of many of his followers) toward maintaining working-class unity. The Christian Democratic leaders were fearful of socialist unification because a substantial democratic socialist party on the left would threaten their predominance in Italian politics

SECRET

SECRET

tend to weaken their hold upon the workers and leftists in their own ranks, and deepen the differences in their own party which appear whenever cooperation with the left is seriously considered. The Communists, coincident with attempting to shore up their own position, used all their assets to weaken Nenni and to confuse the socialist unification movement. The minor center parties, mindful of the coming elections, were not to be outdone in protecting their own positions. They refused further to compromise their policies in order not to eliminate their individual excuses for existence. Reform legislation became a secondary consideration as each of the parties maneuvered to prevent a realignment of the Italian electorate at its expense. The result was the present unresolved crisis.

5. There does not seem to be any easy way out. Nenni in fact has lost control of his party, and the merger movement has begun to recede. The Communists have recovered their equilibrium. The Christian Democrats retain their electoral support and are hopeful of winning a parliamentary majority. The minor center parties, including the Democratic Socialists, seem to be slipping further despite their efforts to protect themselves. Not only has immobilism returned, but the whole machinery of constitutional government is at a standstill, defeated by political arithmetic and by partisan and personal politics. We cannot predict how long this can continue before Italy returns to the pattern of the early 1920's

- 4 -

SECRET

SECRET

and prepares to accept another anti-democratic dynamic solution. If the Christian Democrats can win a majority at the general elections (which will probably be held this autumn unless some unforeseen break in the cabinet problem occurs) Italy will probably at least be able to constitute a government. It appears to us that the Christian Democratic Party, if it were in a safe majority position, could accomplish more to give Italy stability and a modicum of progress than if it were dependent upon the good will and satisfaction of small minorities.

6. However, we do not believe that the Christian Democratic Party is capable of accomplishing the social and economic changes which are necessary to cut into the power of the Communists. The reduction of Communist strength in Italy will be a long-term process in any case, but we do not believe it can be accomplished at all unless there is a strong democratic party on the left. It is to accomplish this purpose that arguments have been brought forward in favor of a merger of the two socialist parties, the Nenni-led PSI and the Saragat-led PSDI.

7. At the present time neither of these parties has much voter appeal. The PSDI is dominated by bourgeois intellectualists who have failed to draw much working-class support. The party has not demonstrated the concern with the local problems and local issues which mean so much to the Italian voter. It has appeared to be too much concerned

SECRET

with foreign policy and not enough with advancing social and economic change. The PSI went down hill after the PSDI split off in 1948. It became an appendage of the Communists, a place to hold those socialists who believed in working-class unity but who were unwilling to subject themselves to the political ideology of Communism. Neither party possessed the strong trade union base which has enhanced the vote-getting capacity of the socialist parties elsewhere in Europe. The leftist tradition in Italy, always strong, has come largely under Communist control, and the trade union movement -- until recently almost a Communist monopoly -- is not associated with either socialist party.

8. There has been some change in the PSI since Nenni began his moves to dissociate himself from the Communists, but it still retains many ties with the Communists, and there are still pro-Communists in the party's directing machinery. Nenni himself remains something of an enigma. He has in many ways made himself more presentable as a democrat; he talks as if he really has been converted to the principles of constitutionalism. Yet he has not made the complete break. We can not determine whether he is unable to do so because he is under constraint, whether he does not desire to do so because he is secretly endeavoring to deliver a merged party to the Communists, or whether he does not

- 6 -

SECRET

SECRET

choose to do so because he wants to deliver to the merged party those in his ranks who would be offended by an outright anti-Communist posture. We believe that there is a good chance that the last of these possible explanations is the most likely, although we lack the evidence to assert very firmly that this is the case.

9. Under these circumstances, it appears to us that there would be dangers in pushing the Social Democrats into a full merger with the Nenni party. On the other hand, there seems to us to be a fair chance that Nenni could be encouraged to move somewhat closer toward some kind of closer association, that he could be encouraged to shake off the pro-Communists in his ranks and to bring into a merged party those who favor the constitutional process. We believe there is better chance of doing this safely now than before the fissures in the PSI appeared at the recent party congress. We also believe, however, that an attempt to split the PSI would have greater chance of success if Saragat does not insist upon a pro-Western foreign policy or a belligerent anti-Communism at home.

SECRET

~~SECRET~~

CONFIDENTIAL

10. We do not believe that the chances of creating a democratic alternative on the left at an early date are very good, but we also believe that Nenni, having come so far as he has, is perhaps capable of coming somewhat farther. We believe that continued immobilism will increasingly harm Italy as time goes on, and that revitalizing confidence in Italy's governmental institutions is a problem which deserves full attention. Unless there is some kind of party on the left which would appear to have reasonable chances of exerting a positive influence on government policy, the Communist movement in Italy seems likely to continue strong.

25X1A9a



- 8 -

~~SECRET~~

CONFIDENTIAL